

FBIS**DAILY REPORT
CONTENTS***Latin America*

Vol VI No 250

30 December 1981

ARGENTINA

President Galtieri Interviewed by Paraguay Radio
[HOY 24 Dec] B 1

CHILE

Some 50 Political Prisoners Said on Hunger Strike E 1
Chilean National Reported Kidnapped in Mozambique E 1
Navy Wants To Buy Three Warships From Britain E 1
Briefs: Tariff Agreements E 1

COLOMBIA

Foreign Minister Analyzes 1981 Achievements F 1
FARC Announces Peace Dialogue With Press in 1982 F 1

PARAGUAY

President's Christmas Message to Nation H 1
Government Releases High Officers' Appointments H 2
Newspaper Editor Released After 22-Day Arrest H 2
Judge Orders Student Perla Yore Released H 3
HOY Interviews Opposition Leader in Congress H 3
[28 Nov]
Police Treatment of Foreigners Denounced H 3
[O ESTADO DE SAO PAULO 23 Dec]
Exiled MOPOCO Leaders Issue Communique H 4
[LA REPUBLICA 18 Dec]
Briefs: Infantry Chief Appointed H 6

PERU

Belaunde: Terrorism Must Be Combated Firmly J 1
[EL COMERCIO 18 Dec]
Terrorists Arrested for Attack on Microwave Tower J 1
[EXPRESO 21 Dec]

URUGUAY

Government's New Economic Guidelines Approved K 1
[EL DIA 19 Dec]

MEXICO

Labor Secretary Resigns for Health Reasons M 1
Oil Price Rise Prompts Higher Farm Subsidy Need M 1
Tuna Fishing Ban on U.S. Vessels Maintained M 1
Briefs: New Customs Law; Fish Exports Sales M 1

CENTRAL AMERICA

EL SALVADOR

Government Extends State of Siege Another Month
[LA PRENSA GRAFICA 29 Dec] P 1
Venceremos Explains Recent Transmission Break P 1
Guerrillas Attack Railroad, Blast Two Bridges P 1

GUATEMALA

Reports on Further Terrorist Actions in Country P 2
Bomb in Financial Center P 2
Chiquimula Attack P 2
Attack on Official P 2

HONDURAS

Government To Investigate Nicaraguan Charges P 2
Steadman Fagoth Reported Injured in Plane Crash P 2

NICARAGUA

Honduran Plane Crash Linked to Counterrevolution P 3
D'Escoto Charges Complicity P 4
D'Escoto Note to Honduras P 5
MDN's Robelo Reacts to Rebel Attacks in North P 5
Guatemalan Regime Accused of Murdering Newsmen P 6
Incident Involving Guatemalan Ship Reported P 6
Tinoco Blames U.S. for Recent Border Incidents P 6
Educational Agreement Signed With GDR Official P 7
[EL NUEVO DIARIO 24 Dec]
Briefs: Cuban Youth Delegation Departs; P 7
New TELCOR Plant

CUBA

National Assembly Session Hears Economic Reports Q 1
Humberto Perez Address Q 1
More on Reports Q 2
Castro Speech Reported Q 3
Havana Notes 'Warmongering' U.S. Military Budget Q 3
Raul Meets With FAR Cinema Studio Workers Q 3

OTHER COUNTRIES

BOLIVIA

Foreign Minister Calls for 'Rapprochement' Policy V 1

BRAZIL

Government Expels 15 Foreigners Under New Law V 1
Archbishop Says Two Blocs' Policies Should Change V 1
BRASPETRO To Expand Overseas Oil Prospecting V 2
[O GLOBO 23 Dec]

ECUADOR

President Hurtado Recieves Romanian Official
[AGERPRES]

V 2

DOMINICAN REPUBLIC

All Resources Exhausted on Sugar Sales to U.S.

V 2

PRESIDENT GALTIERI INTERVIEWED BY PARAGUAY RADIO

PY291514 Asuncion HOY in Spanish 24 Dec 81 p 8

[By correspondent Rovisa]

[Text] Puerto President Stroessner -- "I want to give emphasis and set a new course for the traditional friendship existing between the governments and peoples of Argentina and Paraguay," Argentine President Gen Leopoldo Fortunato Galtieri has said in an exclusive interview with a local radio station. The president, who last Tuesday took the reins of government in the sister nation, was interviewed in Buenos Aires last week, by Guillermo Rolon, a journalist of ZP16 Radio Presidente Stroessner of this city.

Rolon said: "I met General Galtieri when he was commander of the 7th Infantry Brigade, stationed in Corrientes, during the administration of General Peron and when Julio Romero was governor of Corrientes Province." Rolon added that he has been working as a radio reporter for 10 years and that at that time he was working as an announcer for Radio Itapiru which was then located at the point where the Parana and Paraguay rivers converge.

In a 12 minute-interview, Galtieri discussed the issue stemming from the diversion of the Pilcomayo River. He said: "My government will promptly look into that problem in order to solve it as soon as possible. The government of Formosa has received instructions to block the diversion channel."

"I am an advocate of integration. The historical bonds linking Argentina and Paraguay have been strengthened by the Yacyreta project. Awards concerning the civil engineering part of the project will be made in January. From then on, Yacyreta will be carried on without any delay," the new president said.

Regarding the construction of the international road and rail bridge over the Parana River between the cities of Encarnacion and Posadas, Galtieri told Radio Presidente Stroessner that "we will see that the timetable is kept on schedule. We want to increasingly promote trade, cultural and tourist exchange with the Republic of Paraguay."

"I notice that there is very good disposition to implement this project. Under my government, the Corpus treaty could possibly be signed in 1982. Personally, I like the idea and have faith in the project," the 55-year old president, who has retained his post as commander in chief of the Argentine Army (until December 1982, when he will retire, according to some sources), has said.

About the project uniting Argentina with Brazil over the Yguazu River by linking the cities of Foz do Iguacu and Puerto Iguazu, General Galtieri said that the work will start next year and that the project should be completed in 1984. He said: "At that point of convergence of our three frontiers, we will be closer together and united to promote progress."

Commenting on Itaipu, he said: "It is something which testifies to the capacity and good understanding existing between two peoples." Among his list of priority projects he mentioned the construction of a dam on the Uruguay River by Argentina and Brazil.

He concluded his interview by conveying greetings to the Paraguayan people and by reiterating his admiration and fondness for President Alfredo Stroessner. He said: "I want to meet with the president of the Paraguayan nation to convey to him my wishes of integration and happiness for America and to discuss, at governmental level, issues concerning the strengthening of our relations and the progress of our peoples."

SOME 50 POLITICAL PRISONERS SAID ON HUNGER STRIKE

PY301210 Paris AFP in Spanish 2009 GMT 29 Dec 81

[Text] Santiago, 29 Dec (AFP) -- More than 50 Chilean political prisoners have gone on a hunger strike in the wake of the poisoning of 7 inmates -- 2 of whom died -- at the public jail in this capital, it was reported here today. The poisoning took place 2 weeks ago from poisoned food. Relatives of the victims have asked for the appointment of a special judge to investigate responsibility by the jail officials.

Among the poisoned inmates is Guillermo Rodriguez Morales, a leader of the outlawed Movement of the Revolutionary Left (MIR) who was recently sentenced to life imprisonment by a court-martial. The organization of political prisoners' relatives today released a communique stating that the hunger strike is being observed by prisoners at the Santiago, Valparaiso, Concepcion and Rancagua jails. The strikers have been convicted on charges of violating the national security law, possession of arms and illegal association.

CHILEAN NATIONAL REPORTED KIDNAPPED IN MOZAMBIQUE

PY301302 Santiago Chile Domestic Service in Spanish 1000 GMT 30 Dec 81

[Text] The Foreign Ministry has expressed concern over the kidnapping of a Chilean teacher in Africa. It has been reported that the ministry is making contacts to clarify the situation of Prof (Moises Rosalino Carill Maquegue), who was kidnapped by an anticommunist guerrilla group in Mozambique on 17 December. Foreign Minister Rojas has explained that contacts are being made through embassies of European countries that maintain relations with that African nation. Efforts are being made to clarify the situation of the mathematics teacher, who graduated from the University of Chile in Santiago, in order to request the necessary help to locate him and gain his release.

NAVY WANTS TO BUY THREE WARSHIPS FROM BRITAIN

PY300010 Paris AFP in Spanish 1153 GMT 11 Dec 81

[Excerpts] London, 11 Dec (AFP) -- Government sources reported here today that Chile is studying the purchase of an aircraft carrier, a guided-missile destroyer and a fleet oiler from Britain in order to reestablish the power balance between its combat fleet and that of its neighbors Argentina and Peru, countries which are modernizing their navies. The Chilean Navy has also disclosed its interest in at least two other vessels the Royal Navy has put on sale due to budgetary restrictions.

The navy is interested in strengthening its antisubmarine capability. The structure and traditions of the Chilean Navy have been taken from the Royal Navy. This case involves specifically the purchase of the carrier Hermes, the guided-missile destroyer Norfolk and the fleet oiler Tidepool.

BRIEFS

TARIFF AGREEMENTS -- The Foreign Ministry yesterday officially approved a partial agreement between Chile and Bolivia and amendments to similar partial agreements signed by Chile with the Governments of Colombia, Peru and Venezuela. These agreements provide for the elimination or reduction of duties and other restrictions imposed on the import of the following products: Meat, tools, seafood, chemical products, beans, dried fruits, newsprint, books, newspapers and press publications. [Santiago Chile EL MERCURIO in Spanish 8 Dec 81 p C3 PY]

FOREIGN MINISTER ANALYZES 1981 ACHIEVEMENTS

PA262009 Paris AFP in Spanish 1810 GMT 26 Dec 81

[Text] Bogota, 26 Dec (AFP) -- Today Colombia officially reiterated its rejection of the arms race and said that "it runs a risk of incalculable proportions."

While analyzing Colombia's actions in the international field, Foreign Minister Carlos Lemos Simmonds repeated the call to all of the world's countries to respect the principle of international law. In this regard, he indicated that nothing would be more dangerous than the collapse of international law as a sacrifice on the "altar of an alleged political realism."

The foreign minister said that Colombia achieved two important victories in 1981: the ratification of and exchange of instruments on the treaty dealing with the status of the Roncador and Quitasueno Cays and the exchange of notes on and ratification of the treaty of Monteria (city located in northwest Colombia about 500 km from Bogota). The Monteria treaty guarantees the transit of Colombian ships through the Panama Canal.

Reiterating his call for respect for international law, Lemos Simmonds said that international law must be inviolable if it is to be rescued from the serious crisis affecting it. He stressed that as a de jure state, Colombia believes in the principle of international law, adding that the solution to the problems that can emerge among nations can be found in it. "It would be dangerous if this principle were to collapse," Lemos Simmonds emphasized.

The foreign minister said that Colombia has become aware of its situation as a Caribbean country, adding that work in this regard was begun by previous administrations. He also noted that the government has been making intense efforts to achieve the delimitation of the sea and undersea areas. "With the solution of this issue," he said, "the country can then more appropriately work on strengthening its relations with the Caribbean nations, particularly with those that have recently obtained independence."

Lemos Simmonds also stressed that the country is aware of the Central American situation. He indicated that in the case of El Salvador, Colombia has accepted President Napoleon Duarte's invitation for Colombian observers to verify the way in which the electoral process is carried out. In this regard, he disclosed that the Colombian delegation will be traveling to El Salvador at the outset of 1982.

FARC ANNOUNCES PEACE DIALOGUE WITH PRESS IN 1982

PA292109 Paris AFP in Spanish 1648 GMT 29 Dec 81

[Text] Bogota, 29 Dec (AFP) -- The Revolutionary Armed Forces of Colombia, (Communist FARC), announced today that in 1982 it will begin a dialogue with the Colombian press to define the bases on which it would reach a peace pact. An anonymous guerrilla phoned Bogota's newspaper EL ESPECTADOR to say that the FARC uses a different system than that of the 19 April Movement, which kidnaps newsmen when it wants to announce its activities. "We, on the other hand, we will raid the newsmen's homes so they can learn privately about our movement's stand on the agreements that would have to be reached before we would lay down our weapons, he said.

An editor at EL ESPECTADOR asked him whether the Peace Commission would participate in the dialogue he was announcing. The guerrilla answered that if the commission is to function and if its work is to have positive results, it must first be reformed. The Peace Commission, coordinated by the government, the church and the private sector, was designed to seek formulas for the country's pacification. According to the guerrilla, "we are willing to hold private dialogues with the members of the Peace Commission." The FARC entered into a recess over 1 month ago in order to allow the general elections (March 1982) and the presidential elections (May 1982) to proceed normally.

PRESIDENT'S CHRISTMAS MESSAGE TO NATION

PY241552 Asuncion Domestic Service in Spanish 1304 GMT 24 Dec 81

[Address to the nation by President Alfredo Stroessner from independence room of Government House -- live]

[Excerpts] Paraguayan people: A few hours before Christmas Eve, I am pleased to address the nation on the great day that recalls the coming of Jesus to the earth, a glorious worldwide event that our nation celebrates to the full extent of its genuine Catholic belief. Peace is a Christian goal and it is an essential concern of all governments that try to achieve their people's happiness. Therefore, on this occasion we wish to recall with deep affection these remarks of Pope John Paul II; how great is peace for mankind. How intensely is peace desired in the contemporary world. The pope's thoughts translate a universal wish which we share when we proclaim that we will not indulge in weakness to protect the peace which is the key to our progress and the basis of the prestige that our country enjoys today among the free nations of the world.

The Paraguayan people love peace because they know how to defend it with patriotism. They love peace because they know how to work and commit themselves to achieving their development without losing the treasure of our virtues, without denying their loyalty to the Paraguayan flag, without giving up the nationalism which, under my government, will continue to preclude the apostasies that corrupt, the surrenders that dishonor and the moral weaknesses that the agents of international terrorism want to take advantage of. We shall never be submitted to the humiliation of enslaving doctrines.

Today, Paraguayan men, women, the aged, youths and children will raise their prayers to the Lord in a land that has been freed from fear and anguish, a land that is characterized by the brotherhood and unceasing work of its inhabitants to achieve the development and happiness of the nation.

Our faith in God strengthens our will to serve the fatherland. We have definitely overcome those times of sterile pessimism cultivated by failed governments by replacing spiritual depression, uncertainty and discouragement with a new mentality based on the moral strength that has characterized our country in times of hardships. [applause]

The peace we have been able to achieve in our country is the basis for the happiness of all Paraguayan homes. We will not allow anyone or anything to undermine national unity which is the basis for national ideals and objectives.

We do not use power to divide or curtail citizens' rights. We believe that the responsibilities we exercise by the will of the people further commit us to achieving the unity and solidarity of the Paraguayan people. [applause]

With the staunch support of the people we have been able to achieve order and freedom within a state of rights that upholds human rights and social justice.

When we assumed power under this constitutional government, which we are honored to preside over, we promised to undertake the great revolution aspired to by all citizens. We listened to the demand of a people who refused to accept the stagnation of their country, the lack of hospitals, schools, universities, roads, ships, farms, industries, mass media, political stability and economic growth. This revolution, undertaken without resorting to foreign ideologies, is developing and will continue to do so with the optimism that characterizes our people and the patriotism inherited from those who gave us a free and sovereign fatherland.

All that has been achieved -- shown in the statistics that register a positive development -- could not have been done without the enthusiastic support of the Paraguayan people. This support further commits us to continue striving for their well-being. [applause]

Our material achievements have been many in this historic period our country is experiencing. Moreover, the spirit of our youths and the faith of our workers have made an effective contribution to the well-being of our fatherland.

With democracy and without communism we will continue to honor our free institutions. The Paraguayan Government, its people and its armed forces are staunchly against terrorism, violence and Marxist subversion, which is the enemy of God, of human rights and of those traditions that honor Paraguayan homes and our fatherland. [applause]

In compliance with those rights established by the constitution, the government has not and will not compromise with those who intend to undermine this coexistence that is based on the law.

Paraguayan people: May we be able to reap the fruits of our efforts in achieving well-being in 1982. It is necessary to be more effective and work harder to uphold this peaceful atmosphere which has not been achieved by chance but with sacrifice and determination. [applause]

I pray to God to continue enlightening the homes of all Paraguayans and of all those foreigners who share our efforts in achieving national development. I thank the Lord for his blessings and all fellow Paraguayans. You can be certain that I will continue to put all my strength, as a citizen and military officer, at the service of the supreme cause of achieving the greatness of the fatherland. [applause]

GOVERNMENT RELEASES HIGH OFFICERS' APPOINTMENTS

PY300040 Asuncion ULTIMA HORA in Spanish 29 Dec 81 p 8

[Excerpts] Gen Guillermo F. Clebsch was sworn in as chief of the Military Household of the Presidency this morning during a ceremony held at Government House. General Clebsch was sworn in by the outgoing Military Household chief, Gen Luis Olmedo, who spoke about the responsibilities of the position and on the military background of the new chief of the Military Household.

The following military chiefs also took charge: Commander of the presidency escort regiment staff, Col Francisco Ruiz Díaz, new commander of the cadet corps of the military school, Staff Col Rogelio Levy Acuna, and the new Armed Forces General Staff acting chief, Brig Gen Benito Guanes Serrano.

NEWSPAPER EDITOR RELEASED AFTER 22-DAY ARREST

PY251638 Asuncion ABC Color in Spanish 25 Dec 81 p 9

[Text] Fernando Cazenave, a journalist and chief editor of the newspaper ULTIMA HORA, was released yesterday after what he termed "22 long days." Cazenave was released yesterday at approximately 1800 after meeting with Interior Minister Sabino Augusto Montanaro. During the entire period of his detention, Cazenave was held at the central police headquarters.

"I wish I might be the last journalist to be detained; that we, journalists, may work without problems," Cazenave said. He added that his detention was "arbitrary. I did not commit any crime."

Cazenave was detained and held incommunicado for 22 days. Officials of ministerial rank have said that the ULTIMA HORA chief editor was detained because his newspaper "had distorted" remarks made by a priest in Pilar.

Journalist Felix Humberto Paiva -- also of the newspaper ULTIMA HORA -- had been detained earlier. As Paiva was released, Cazenave was arrested. Late yesterday afternoon, Cazenave was welcomed by his fellow workers and relatives.

JUDGE ORDERS STUDENT PERLA YORE RELEASED

PY282305 Asuncion Radio Primero de Marzo in Spanish 2200 GMT 28 Dec 81

[Text] The judge of the 6th Criminal Court today granted the freedom of Nadimi Graciela Yore. Judge Antonio Escobar Cantero decided to release the young woman on the grounds that the evidence which had originally motivated the arrest of the student has lost its strength. This decision does not mean that Yore has been found innocent of alleged violation of law 209.

HOY INTERVIEWS OPPOSITION LEADER IN CONGRESS

PY291801 Asuncion HOY in Spanish 28 Nov 81 p 8

[Undated interview with Deputy Carlos Alberto Doldan, leader of the Radical Liberal Party bloc in the Chamber of Deputies -- no place given]

[Excerpt] [Question] What do you think of the laws approved this year?

[Answer] In the first place, I believe that laws are neither good nor bad, that their success or failure will depend on how they are applied and this is the basic role of the Judicial Branch.

When the Judicial Branch has fallen to such a low level, when its image has been so discredited as it is now, the result will obviously be the same no matter how good the law is. The law will be distorted and its spirit will be lost as a result of its being arbitrarily applied. It is then when, in my opinion, the Legislative Branch must intervene and repeal or modify those laws such as Law No 209 which was originally intended for the "defense of democracy" but which was distorted in both letter and spirit to become a legal instrument designed to persecute democrats.

[Question] What factors could be instrumental in improving the action of the opposition in Congress?

[Answer] There are basically two factors: First, the opposition in Congress should play a true opposition role, it should report irregularities without fearing the consequences and without seeking the government's approval.

While opposing any bill which it may consider unjust or untimely, it should not hesitate to back that bill which would truly benefit the people; and second, the freedom of the press is another basic factor for our action since through it the people can learn who is on their side and who is against them and which are the opposition parties that are seeking to gain positions. As long as newspapers are closed, journalists are arrested, the press is harassed and frightened, the action of the opposition will become increasingly less significant since to the extent the press is silenced the opposition is also being silenced and a silent opposition is out of place in a Congress which wants to be democratic.

POLICE TREATMENT OF FOREIGNERS DENOUNCED

PY241602 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 23 Dec 81 p 11

[Text] Curitiba -- Carlos Roberto Brizola Bispo, researcher for IPPUC [expansion unknown], a planning organization for the prefecture of Curitiba, was expelled from Paraguay on Thursday. He was detained in the city of Caacupe and then sent to the investigations department of the Asuncion civilian police. He was held incommunicado for 11 days without any explanation by the local officials.

On denouncing the fact yesterday in Curitiba, Bispo stated that 40 foreigners were with him in jail, 12 of whom were Brazilians, and that not all of them had been released.

One of them, Sergio Roberto Rocha, from Sao Paulo, has been there for more than 50 days. He did not depart with the others who were left at the Brazilian border, in Foz de Iguazu, at night.

The IPPUC researcher does not yet know the reason for his arrest. He left Brazil on 5 December to attend the traditional festivities of the Virgin of Caacupe. On the border he paid an entrance fee of 150 guaranies and was granted an entrance visa following the presentation of his identification card. On the evening of 6 December, upon returning to the place where he was staying, he was surrounded by civilian policemen who asked him for his documents and invited him to answer some questions "in a house which appeared to be a police station on the plaza in front of the church."

After answering their questions about the reasons for his visit to the country, Bispo was taken handcuffed to the investigations department headquarters in Asuncion along with two Uruguayans and three Koreans, two of them minors, and another Brazilian, Donizati Rosa. There a new record card was prepared on him, and according to him, he was "continuously insulted by the policemen who beat the Koreans and the other Brazilian, and even the young Korean boys. They received heavy beatings with plastic hoses."

In the cell where he was placed, there were four Paraguayans accused of smuggling and two foreigners advanced in years, a German and an American. Then 30 more persons arrived and were all put into the 12-square-meter cell. The cell had only four beds and one bathroom.

Bispo said he was interrogated by the "investigations" department director named Viedo who only told him that "your card is being investigated by Interpol, because they wanted to know if you have criminal records in Brazil." The only explanation given by the interrogator was that the "arrests were made as precautionary measures." He feels that these measures were taken because President Stroessner was scheduled to visit Caacupe during the festivities.

Bispo stated that several times he asked that his detention be reported to the Brazilian Embassy or to the IPPUC, without any success. He was located by friends who live in Paraguay through the Brazilian Embassy, and regrets that "none of the Brazilian Embassy officials showed up to find out about the situation even though they knew 12 Brazilians were being detained."

On Thursday, the group was informed that "by orders from above," the foreigners would reportedly be expelled from the country. They were without money, filthy and starving, because the food they offered "was seasoned water they called soup, and when we gave money to the guards to buy food we never saw our money again and never received the food." Bispo and four other Brazilians, three Colombian architects, and a Uruguayan were left at the border, in Foz de Iguazu, with the warning: "do not return to the country."

EXILED MOPOCO LEADERS ISSUE COMMUNIQUE

PV291847 Asuncion IA REPUBLICA in Spanish 18 Dec 81 p 2

[Communique released by the Colorado Popular Movement (MOPOCO) governing board in exile entitled "General Guidelines to Party Members and Citizens About the Current Political Situation" on 12 November 1981]

[Text] This is a very important time for the future of the nation and the party. Undoubtedly there are signs that substantial changes are soon going to take place in the leadership of the autocratic regime. This is due not only to the moral crisis and all the defects of the system after 27 years of absolute arbitrary rule, but also due to the poor state of health of the current president which is becoming the main factor of events.

The inevitable process for succession is being carried out in the midst of the usual secrecy used by the small Stroessner circle which is accustomed to solving national problems by excluding the people from important decisions which are planned and carried out behind their back. Exclusion and absence have also reached the Colorado Party members; It is said that decisions are being made in the name of the party which, undeservingly, has also been given the historic responsibility of bearing the mistakes of the regime which is in the twilight of life.

In this process of succession which must be defined soon and which will determine either the continuation of the system -- if the designs and secret dealings of the small but powerful close autocratic group representative of sordid local and international interests prevail -- or, on the contrary, the opening of a transitional period toward a democratic, peaceful and orderly institutional regime which the country demands. The MOPOCO statement of this document gives the general guidelines for political action valid for this situation both at the party and national level.

1. At the party level:

The Colorado Party, which appears as the political supporter of the regime, cannot and must not become a mere spectator to the transfer of power which, we reiterate, is currently going on behind the scenes. The Colorado Party -- in order to recover its participating role and revert its obvious situation of dependency to fully assume its right for participating in decisionmaking -- must be alert and watchful and in permanent mobilization ready to fill the void which may develop during the succession process or to evict those who want to continue to exercise, in the name of the party, a political situation that totally contradicts its essential principles.

To achieve this, it is absolutely necessary to strengthen our political organization through the consolidation of party unity, so that the party's powerful popular force and its influence in sectors of power, especially in the armed forces, may effectively focus on the decisions seeking the establishment of the democratic system which may replace the current dictatorial regime and give back to the republic its full self-determination and prestige in the international field.

Naturally, the unity we advocate must be based on the unrestricted implementation of the fundamental principles of the Colorado Party, that is, of domestic freedom, which must govern the exercise of party rights; and respect for the popular will, which must be expressed through the natural organizations of the party leadership.

The MOPOCO also feels that the unity of the party can be achieved through the efforts made by men seeking to overcome unfruitful past antagonisms and it must be set up without exclusions or limitations in order to strengthen the overall possibilities to reach and consolidate the democratic reorganization of the republic above any other consideration aimed at satisfying personal or sectorial interests.

2. At the national level:

It is an undeniable truth that there can be no democracy in Paraguay without the Colorado Party, but democracy will have no real effectiveness without the participation of other political sectors that make up the civic society of the republic.

This basic consideration guarantees the great importance of the agreement reached within National accord made up by the MOPOCO, the authentic Radical Liberal Party (PLRA), the Febrerista Revolutionary Party (PRF) and the Christian Democratic Party (PDC). We believe that this national accord, reached through programatic agreements, without affecting the respective party individualities, will help the process of change for democracy by granting the transition regime the necessary and essential support for the successful achievement of its patriotic task.

Final words: MOPOCO, which has never resigned its will to exercise its civic rights in the country, reaffirms on this occasion this right which has been denied up to now against justice and reason. Despite the arbitrary proscription, our word and action will be present in the national scene in these final hours, overcoming any obstacle put up to keep us excluded and outside the native land.

We call on our party members and all citizens to make a great effort in the search for the means to give back the republic the freedom which has been taken away and achieve, in practice, the great national objectives of moralization and the transformation of the old socioeconomic structures which are stopping the real development of Paraguay.

We particularly demand that the armed forces of the nation become the vanguard of popular aspirations toward a process of democratic change within the framework of legality, through peaceful means, thus honoring their mission of custodian of national sovereignty and the national constitution.

MOPOCO will return to the country after 23 years of unjust exile to join in civic activities and struggle for this peaceful and democratic proposal for an institutional opening which will set the basis for a new Paraguay.

Signed: President, Matio Mallorquin; vice presidents: Eduardo San Martin, Sandino Gil Oporto and Guido Arce Bazan; Secretaries: Fulgencio Aldana, Candido Andres Ortiz, and Edgard Cataldi; Treasurers: Ruben Duarte and Bienvenido Ortega; regular members: Jose Zacarias Arza, Walsino Ramon Lovera, Enrique Jimenez, Faustino Centurion, Miguel Angel Gonzalez Cazabianca, Agustin Goiburu, Andres Gomez Galeano, Victor Ortigoza, Vernardo Garcia, Alejandro Stumpfs, Mario Paredes, Mesde L. Osta, Antonio Gonzalez Preto, Antonio Aranda, Pedro Pablo Peris Bustos; alternate members: Quintin Gonzalez, Eduardo Sardi, Nelson Jario Silvera, Silvestre Gomez, Zacarias Jimenez Meza, Jose Angel Orihuela, Hugo Walsino Lovera, Pedro Chamorro Riveros, Ramon Gonzalez and Quintin Gonzalez, jr. In exile, 12 November 1981.

BRIEFS

INFANTRY CHIEF APPOINTED -- Col Victor Manuel Florentin was sworn in today as chief of the 3rd Infantry Division, stationed in San Juan Bautista de las Misiones, replacing Brig Gen Eduardo Sanchez. [Asuncion ABC Color in Spanish 24 Dec 81 p 20 PY]

BELAUNDE: TERRORISM MUST BE COMBATTED FIRMLY

PY291812 Lima EL COMERCIO in Spanish 18 Dec 81 p A 1

[Text] Peruvian President Fernando Belaunde Terry said yesterday that despite the pressures being exerted terrorism should be dealt with severely but not with cruelty or spite. He added: "The government is exerting its control so that terrorists are punished in compliance with the law. We are disregarding the pressures exerted by some hypocritical groups that allege that in so doing we are violating human rights." Belaunde made this statement at the closing ceremony of the Peruvian Investigative Police [PIP] academic school year.

In a particularly strong speech, the president noted that the terrorists' families are also exerting pressure but said that "they should have been more careful and not let their relatives be misled." He also said that certain institutions "that are allegedly seeking humanitarian objectives but are really only defending and promoting crimes that jeopardize Peruvian society, are also exerting pressures."

He noted that each high-tension tower that is blown up means that there will be one less school or hospital. He said: "This is why we must be severe and make people aware that the law punishes terrorist activities with no less than 10 years in prison." Addressing the 127 PIP cadets, President Belaunde noted that although all of them know their rights and duties and are allowed to carry guns, "the best weapon you can carry is a clean conscience." He added: "When all our actions are aimed at achieving the well-being of our society, when we act without spite or hatred but firmly in defense of our society, we have a clean conscience and that is the best weapon any honest and patriotic citizen can have." He noted that since at present Peruvian society is also experiencing an increase in the crime rate, "we must act firmly."

TERRORISTS ARRESTED FOR ATTACK ON MICROWAVE TOWER

PY291643 Lima EXPRESO in Spanish 21 Dec 81 p 56

[Text] The seven persons allegedly involved in the terrorist attack perpetrated on 1 December against the ENTELPERU [National Telecommunications Enterprise of Peru] microwave tower located in Abancay, Apurimac, were transferred to Lima yesterday. These persons have confessed that they were trained in the "Shining Path" school. PIP [Peruvian Investigative Police] Col Jose Camacho de la Riva was in charge of transferring the alleged terrorists led by Alberto Medina Alva (27 years old), resident of Lima.

They arrived aboard a FAP [Peruvian Air Force] buffalo plane from Abancay where they were arrested by local officials. The FAP plane landed at Jorge Chavez International Airport under strict security measures. Two PIP station wagons and PIP officials were awaiting the alleged terrorists to take them to the government security offices.

In a statement to journalists, PIP Officer Camacho noted that the group had been directly involved in the attack perpetrated against the ENTELPERU tower. He said: "The evidence that has been gathered leaves no doubt about their involvement in the attack." He added: "Moreover, they have confessed that they were trained at the 'Shining Path' popular school and that they perpetrated the attack." He noted that a few days before the attack against the ENTELPERU tower, explosives were stolen from the camp located at the construction site of the Mayo-Corral Road and that "the alleged terrorists had in their possession the material that was stolen." He reported that the leader of the group is Melendez Alva [as published] (27 years old); the others are Saturnino Camacho Ramos (38 years old); Oscar Rivas Ascarraz (22 years old); Samuel Galvez Guillen (22 years old); Fortunato Palomino Huaman (18 years old), who may be a minor, and Guillermo Vanari Otero (20 years old); all of whom are residents of Abancay, Paurimac.

GOVERNMENT'S NEW ECONOMIC GUIDELINES APPROVED

PY281807 Montevideo EL DIA in Spanish 19 Dec 81 p 9

[Text] After a thorough analysis with the junta of commanders and the cabinet, the executive branch has approved the final document containing the guidelines discussed during the Piriapolis meeting. The 66-page document reflects the reports provided by EL DIA during the meetings in addition to details which do not change the essence of the material published on that occasion.

The objectives, goals and policies of the government meeting, approved by the president, establish the basic conditions for the economic, social and political policies as a "way to limit risks, distortions and deviations of the economic and social growth achieved, including adjustments in accordance with the current internal and international situation in order appropriately to encourage a new stage of sustained, overall and rational development." The executive branch believes that to lead the country it must keep in mind the following basic conditions:

"1. Reduce social costs by reorganizing the state: A. Achieve this objective through better output, functioning, efficiency and austerity; B. Start new projects only if adequate national resources are available; C. Eliminate overlapping functions and services, etc; D. Privatize or eliminate activities that are not a function of the state except those which due to reasons of sovereignty, security or activities that need initial impulse are exceptionally of national interest; E. Impose competitive management criterion on commercial entities run by the state.

"2. Support public projects that will create a quick social and economic impact.

"3. Reduce the social contribution of present generations to long-range projects and objectives.

"4. Commit private participation in activities considered in the national interest."

The extensive document also makes a study of the general principles of the economic and social policies implemented by the government since it was approved at the San Miguel meeting in 1973 and later ratified in Solis in 1977.

The document states that "in accordance with the agreement reached in San Miguel, the Uruguayan Government is carrying out a pluralist policy encouraging private initiative and establishing areas of activity to be developed by the private and public sector."

The document also recalls that the Solis meeting ratified the guidelines for national development in 1973 and that a decision was made to implement these guidelines in real situations.

Regarding the decisions made in Piriapolis, the document states that the "recognition of the good results obtained from 1978 to 1980 with the application of the policies approved in Solis and the subsequent recessive situation of the national economy due to external and internal situations lead to a decision to continue implementing the current policies with the necessary adjustments in order to go through the depressed international economic situation with as little damage as possible." The economic strategy to be implemented involves:

Maintaining the basic guidelines of the current policies; reducing the social cost of the state, reorganizing its activity and consolidating the achievements made by improving output, functioning, efficiency and austerity; reducing public expenditures, privatizing activities that are not part of specific state functions and demanding management efficiency from public enterprises; supporting public projects that will create a quick social and economic impact; carrying out the necessary adjustments by creating specific mechanisms to prevent the harmful effects of the unfair commercial practices of other countries and adjust national incentives to prevent the country from being accused of the application of the same practices.

Regarding public finance, there are two main objectives: Maintaining a balanced budget by reducing the levels of expenditures and income as much as possible and achieving a greater tax balance.

Reduction of public expenditures will be achieved during 1982 by constantly maintaining the expenditures of goods and services at the real cost, eliminating duplicated services and imposing austerity measures in government administration.

Greater tax balance will be obtained by: Extending the income taxes of industry and commerce to agricultural activities and public enterprises; annulling tax on capital (the two measures tend to keep productive activity from paying income tax when there are no real positive profits); and shifting part of personal income tax on salaries and fuel taxes to the value added tax. The overall tax measures are aimed at reducing the discrimination of the internal tax system against national activities because exports are not taxed by value added tax and imported goods must pay the same internal taxes as the national products.

The long-range objective of achieving a competitive economy at the international level has been ratified with a decision to continue the program of tariff reductions despite the current recessionary international market.

In relation to difficult situations -- either created by unfair trade practices or situations confronted by some sectors whose protection was reduced beforehand due to a regional situation different from the current situation -- readjustments in accordance with short-range current conditions have been ordered. The unfair trade practices will be confronted with measures fixing prices of reference and the revision of the antidumping legislation in order to give the measures more effectiveness.

Regarding sectors whose protection was reduced in 1979, their tariff situation will be restudied and the regulation which allowed the reduction of tariffs when there was no national competition will be suspended. Regarding support for exports, the regulation of reimbursements will be substituted, as much as possible, by a system covering all exports and establishing a reimbursement of indirect taxes, a system which cannot be labeled as an unfair trade practice. State support for export activities will be increased by the creation of new economic-commercial offices abroad and by continuing with the program of trade missions and strengthening the potential negotiating power of the country. The fixed exchange policy with the rule of preannouncements will continue. In an open economy with this type of exchange, credit policies cannot be distinguished from international reserve policies; therefore keeping a balanced budget and not expanding internal credit -- except rates compatible with the rhythm of announced devaluation -- are the bases for the good working of the system.

Therefore, with regard to credits, the policies approved in Solis are ratified and a system of presale of foreign currency is established in order to eliminate or diminish the possible exchange risks that enterprises will experience. Considering that the situation of the Uruguayan foreign debt is good, that there are no urgent payment deadlines, that the debt is adequate in relation to exports and to the internal product and the country's reserves, the government aims to maintain foreign debt in real terms trying to reduce the debt even more.

LABOR SECRETARY RESIGNS FOR HEALTH REASONS

FL292041 Mexico City NOTIMEX in Spanish 2025 GMT 29 Dec 81

[By Enrique Alvarez Manilla]

[Excerpt] Mexico City, 29 Dec (NOTIMEX) -- Javier García Paniagua, who was secretary of labor and social welfare until yesterday, has submitted his resignation to President Jose Lopez Portillo, who this morning appointed Sergio García Ramírez to take up the post. In his resignation, García Paniagua expresses his gratitude to the president for the opportunities and courtesies the president has afforded him. He adds that he made his decision because of poor health during recent weeks.

OIL PRICE RISE PROMPTS HIGHER FARM SUBSIDY NEED

FL231155 Mexico City NOTIMEX in Spanish 0210 GMT 23 Dec 81

[Excerpts] Mexico City, 22 Dec (NOTIMEX) -- Victor Cervera Pacheco, secretary general of the National Peasant Confederation (CNC), has said that in view of oil price increases, peasants will demand that price supports of all basic goods be increased. The peasant leader said that the gasoline and diesel price increase was a hasty measure and observed "that it is not fair for farmers to have to pay for all the broken dishes." He added that farm products and common transportation subsidies will be demanded following the federal government's decision to subsidize urban transportation. Jose Dolores Lopez, secretary general of the Farm and Peasant Workers Independent Central [Central Independiente de Obreros Agricolas y Campesinos] (CIOAC), has stated that "the excessive increase in gasoline prices will trigger a new price escalation to the detriment of the poor class."

TUNA FISHING BAN ON U.S. VESSELS MAINTAINED

PA250249 Madrid EFE in Spanish 2145 GMT 24 Dec 81

[Excerpts] Mexico City, 24 Dec (EFE) -- Mexico announced today that it will maintain its ban against tuna fishing by U.S. vessels in its territorial waters, Alfonso Cebreros, director of the Fishing Bank, announced today. "Although we would like to sell tuna in the United States, which is an important market, we will not surrender our rights on this maritime resource," Cebreros said. The director of Azbanpesca, a government institution dedicated to the financing and promotion of fishing, said that diplomatic negotiations continue toward solving the conflict begun at the beginning of 1981. It has been estimated that Mexico has some 60 million cans of tuna still waiting to be sold abroad. Meanwhile, several government institutions have begun a campaign to promote the consumption of tuna at home. Mexican officials have also tried to place their production in other markets and, according to Cebreros, agreements have been signed for the sale of this product to Japan, Italy, Spain and France. Jointly they will absorb a 20,000-ton annual production of this fish.

BRIEFS

NEW CUSTOMS LAW -- Mexico City, 22 Dec (NOTIMEX) -- The Chamber of Deputies has approved a new customs law which includes approximately 10,000 current regulations and parts of the previous customs code. [Mexico City NOTIMEX in Spanish 0450 GMT 23 Dec 81 FL]

FISH EXPORTS SALES -- Mexico City, 22 Dec (NOTIMEX) -- The Bank of Mexico reports that Mexico has sold \$218 million in fish exports between January and September of this year. A total 24,286 tons of fresh, frozen and processed edible products were exported, 24,049 tons of which was tuna while the remainder was shrimp, canned fish and shellfish and frozen lobster. [Mexico City NOTIMEX in Spanish 0240 GMT 23 Dec 81 FL]

EL SALVADORGOVERNMENT EXTENDS STATE OF SIEGE ANOTHER MONTH

PA292127 San Salvador LA PRENSA GRAFICA in Spanish 29 Dec 81 pp 3, 20

[Excerpt] In view of the fact that the conditions of terrorist threat, violence and uncertainty still prevail, the revolutionary governing junta has extended the state of siege for another month, as of 5 January, according to a communique. The state of siege was instituted on 5 March of last year and has been extended each month because the wave of violence that prompted the measure has not yet disappeared.

In recent weeks there were comments about the possibility that the junta might lift the restrictions, but yesterday the information office of the presidency issued a communique clarifying the situation; that is, that the state of siege will continue in effect for another month.

VENCEREMOS EXPLAINS RECENT TRANSMISSION BREAK

PA291747 (Clandestine) Radio Venceremos in Spanish to El Salvador 1200 GMT 29 Dec 81

[Excerpt] Why did we stop transmitting a few days ago, during the army's genocidal campaign in Morazan? It was not because, as the dictatorship claims, we are transmitting from Cosiguina in Nicaragua. It was because Radio Venceremos is a guerrilla station, operating in the midst of our people's national liberation war. Radio Venceremos is a structural part of the Francisco Sanchez Eastern Front, and it must adjust to the circumstances of the war. We were ordered to stop transmitting and to prepare for combat tactics based on movement in order to respond to the enemy's attack, which involved over 4,000 air and artillery units coordinated by U.S. advisers. Alongside the columns of our people's army and the organized peasants, Radio Venceremos participated in the military maneuver ordered by the Eastern Front's command.

Once the enemy's operation was defeated, we came back on the air. Radio Venceremos is simply an organic part of the liberation struggle and adjusts to the tactical needs of war. We are still transmitting despite all the technical difficulties that a station transmitting from a mountain amid difficult war circumstances must face.

GUERRILLAS ATTACK RAILROAD, BLAST TWO BRIDGES

PA291522 Panama City ACAN in Spanish 2344 GMT 28 Dec 81

[Text] San Salvador, 28 Dec (ACAN-EFE) -- A group of guerrillas blew up the bridge over the Guajoyo River, in the city of Metapan, 111 km east of San Salvador, official sources reported today. According to the report, the rebels placed dynamite at the center of the bridge last night, totally destroying it. As a result, the city of Metapan and the border post at Anguiatu, near the city of Esquipulas, Guatemala, were isolated by land.

In San Vicente Department, 60 km east of the Salvadoran capital, leftist forces today attacked a Salvadoran train carrying freight to the eastern part of the country. The train was attacked after a dynamite blast damaged the line. The rebels, posted on both sides of the track, opened fire on the engine, which had stopped because of the explosion. In San Vicente, according to an official sources, an armed clash took place between guerrillas and members of the armed forces, while an explosion rocked the center of this departmental capital.

In Cuscatlan another bridge was damaged by dynamite placed there by extremists. According to military sources, guerrillas who reached the town of Suchitoto placed a dynamite charge on the Marimba bridge over the (Cuitaya) River. There were no casualties in these attacks, but damage to the bridges and the railroad was extensive.

GUATEMALAREPORTS ON FURTHER TERRORIST ACTIONS IN COUNTRYBomb in Financial Center

PA291919 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 29 Dec 81

[Excerpt] A powerful bomb exploded just before 2000 in the financial center, in front of the Industrial Bank offices, where a similar incident occurred 19 October. The bomb caused damage in some 40 shops in neighboring buildings, including El Triangulo. Several private homes were also damaged.

Chiquimula Attack

PA291938 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 29 Dec 81

[Excerpt] Chiquimula -- A guerrilla attack last night against the police headquarters here left four dead and six wounded, our correspondents established today. Dead were a local resident and three subversives, while the wounded were six members of the police. The attack, perpetrated with a high-powered bomb and machineguns, occurred at about 0145. According to the official report, 15-20 guerrillas perpetrated the attack, using three pick-up trucks.

Attack on Official

PA292014 Guatemala City Radio Nuevo Mundo in Spanish 1200 GMT 29 Dec 81

[Excerpts] A little while ago, a group of unidentified individuals perpetrated a terrorist attack against the home of former Judicial Police Chief Manuel de Jesus Valiente Tellez. As a result of this terrorist action, carried out shortly after 0600, several people were injured and a large section of Valiente Tellez' home, in the San Antonio neighborhood, Zone 6, was burned. It has now been established that two people were killed in the attack. An alleged sniper attacked Valiente Tellez a few days ago, wounding him slightly. In today's attack, however, he was more seriously wounded.

HONDURASGOVERNMENT TO INVESTIGATE NICARAGUAN CHARGES

PA291449 Tegucigalpa Domestic Service in Spanish 1130 GMT 29 Dec 81

[Text] The Foreign Secretariat has asked its counterparts at the Defense and Public Security Secretariat to conduct the necessary investigations in connection with the Nicaraguan Government's protest of alleged incursions into that country by counterrevolutionary groups from Honduras. The Nicaraguan authorities allege that several groups operating in our territory are seeking to destabilize the national reconstruction government established in that neighboring country.

In order to prevent future misunderstandings, to preserve peace and the policy of noninterference in other countries' affairs and to establish once and for all its position on refusing to support any group that makes attempts against a friendly government, our Foreign Secretariat has asked the Defense Secretariat to dispel all doubts in connection with this matter.

STEADMAN FAGOTH REPORTED INJURED IN PLANE CRASH

PA291537 Tegucigalpa Cadena Audio Video in Spanish 1145 GMT 29 Dec 81

[Excerpt] Five people died and 34 were injured yesterday at approximately 0930 when a Douglas C-47, No 313, of the Honduran Air Force crashed on the landing strip at Puerto Lempira, Gracias a Dios Department.

High-ranking Honduran Air Force officers, anti-sandinist leaders and a large contingent of soldiers from the Engineer Battalion were aboard the plane. The fatal accident occurred while the craft was taking off. Some injured soldiers said the craft rose only some 30 meters from the ground. The plane had traveled a lengthy stretch when it developed mechanical trouble in its left engine. A small explosion occurred and the plane plunged to the ground. The crew of three died instantly, together with two civilians who were near the pilot's cabin. A large number of civilians and soldiers were seriously injured.

Capt (Alexis Maldonado Espinoza), pilot; (Abraham Espinoza Mejia), copilot, and (Roberto Aguilar Ferrufino), mechanic, are among the dead. The dead civilians are (Douglas Cepeda Bendana) and (Irias Cevallos). Both died instantly, according to the Honduran Air Force report.

Steadman Fagoth Muller, well-known leader of the Misurasata [Miskito, Sumu, Rama, Sandinist Unity], his wife Digna Rivera de Fagoth and another Nicaraguan woman called Silvia Mercado Sandor were on the plane. Fagoth arrived at Tegucigalpa's school hospital with injuries to one leg. He vanished when reporters appeared, leaving the doctor who was treating him. Silvia Mercado confirmed that Fagoth and other Nicaraguans opposed to the Sandinist revolution were on the plane.

NICARAGUA

HONDURAN PLANE CRASH LINKED TO COUNTERREVOLUTION

PA291441 Managua Radio Sandino in Spanish 1200 GMT 29 Dec 81

[Text] The following is a dispatch from Tegucigalpa, Honduras: According to official reports issued by the Honduran Air Force, a Douglas C-47 plane carrying 15 officers and soldiers of the 1st Engineer Battalion and 11 civilians crashed in Puerto Lempira. Five people died and 23 others were injured in the accident at this port, located in Gracias a Dios department in eastern Honduras.

According to the official report, the plane's left engine developed serious mechanical trouble during takeoff. The pilot lost control of the plane because of the low altitude at which it was flying and the accident resulted. The official version adds that Capt (Alexis Maldonado Espinoza), pilot; 2d Lt (Jose Abraham Espinoza), copilot; (Roberto Aguilar Ferrufino), mechanic; and civilians (Douglas Cepeda Bendana) and (Irias Cevallos) died in the crash.

Fourteen of the injured occupants were members of the 1st Engineer Battalion serving at Puerto Lempira and the rest were civilians. All of them were taken to Tegucigalpa, along with the bodies of those who died. The Honduran Air Force report says nothing about Nicaraguan counterrevolutionary Steadman Fagoth Muller, who was mentioned from the start as a member of the crew. [sentence as heard] It was reported that he was injured in the mishap. However, it will not be easy to hide the truth this time.

[Announcer reads dispatch] Honduran military plane crashes. Maj (Leonel Luque) of the Honduran Army and Steadman Fagoth were in the plane.

A Honduran Air Force DC-3 plane crashed yesterday in Puerto Lempira, Honduras. Maj (Leonel Luque) of the Honduran Army and Nicaraguan counterrevolutionary Steadman Fagoth were injured in the crash.

This week Nicaraguan Foreign Minister Miguel D'Escoto accused Major (Luque) of being an accomplice of counterrevolution in Honduras. According to D'Escoto, Luque protects the criminals against the Nicaraguan patriots.

Major (Luque) was declared out of danger at the Viera clinic in Tegucigalpa. However, Fagoth sustained fairly serious injuries in the accident suffered by the plane, in which he was traveling with his wife and Honduran military men while engaged in counter-revolutionary activities.

The pilot of the plane, (Alexis Maldonado), died instantly. Second Lt (Jose Abraham Espinoza), copilot; (Roberto Aguilar) mechanic; and two civilians also died in the crash, it was reported in Tegucigalpa.

The accident confirms the connivance between the Honduran military and Nicaraguan counter-revolutionaries who seek a return to the nefarious past, not caring about the blood that was spilled for liberation.

D'Escoto Charges Complicity

PA291639 Panama City ACAN in Spanish 1538 GMT 29 Dec 81

[Text] Managua, 29 Dec (ACAN-EFE) -- Foreign Minister Miguel d'Escoto and today's Nicaraguan newspapers assert that the support given by Honduran military personnel to the counter-revolutionaries is confirmed by the plane accident that took place in Honduras yesterday, leaving 5 dead and 25 wounded.

BARRICADA, the official Sandinist front organ, and EL NUEVO DIARIO, published by a workers' cooperative, said that one of the passengers aboard the Honduran Air Force plane, which crashed near Puerto Lempira, was Steadman Fagoth Muller, known here as the counterrevolutionary leader of the Miskito, Sumo and Rama Indians.

Digna Rivera de Fagoth, wife of the leader of the Nicaraguan Indians who have taken refuge in Honduran camps, was also a passenger on the plane, according to press reports.

"Plane Carrying Fagoth and Honduran Military Personnel Crashes; Complicity Uncovered," a BARRICADA headline reads.

Silvia Mercado Sandor, Luzbel Castillo and former Somozist officer Gustavo Blandon, all Nicaraguans, were also aboard the plane, according to the local papers.

The FSLN official paper says the fact that Fagoth and Maj Leonel Luque, of the Honduran Armed Forces, were on the plane that crashed "clearly confirms that elements of the Honduran military were supporting Nicaraguan counterrevolutionaries."

An official report released by the Honduran military on the accident in Puerto Lempira did not carry Fagoth Muller on the passenger list. Nevertheless, the local papers say Fagoth Muller was taken to the Tegucigalpa school hospital, but was hidden "to avoid confirmation of his presence on the Honduran Air Force plane and his complicity with Major Luque and Major Ortiz."

The Nicaraguan foreign minister, Priest Miguel d'Escoto, points out in statements to BARRICADA that the accident confirms that which he denounced earlier in a note to his Honduran counterpart, Col Cesar Elvir Sierra. "This confirms that Maj Leonel Luque Jimenez is openly helping the Somozist conspirators, who are using Honduran territory to attack Nicaragua and thus to create tension between the two countries," Foreign Minister d'Escoto declared. According to D'Escoto, the charges made by the Nicaraguan Government "that some Honduran officers are acting in complicity with the counterrevolutionaries" have been absolutely true. D'Escoto added that the Nicaraguan Government knows the names of other Honduran officers involved with the Somozist groups, which will be revealed in due time.

D'Escoto Note to Honduras

PA300412 Managua Radio Sandino in Spanish 0300 GMT 30 Dec 81

[Note sent by Nicaraguan Foreign Minister Miguel d'Escoto Brockman to Honduran Foreign Secretary Col Cesar Elvir Sierra on 29 December -- read by announcer]

[Text] Your Excellency Col Cesar Elvir Sierra, foreign secretary of Honduras. Tegucigalpa.

From international news agency sources and other sources worthy of our government's complete trust, it has been learned that Mr Steadman Fagoth, his wife and several other Nicaraguan citizens who have publicly announced their plans of aggression against Nicaragua from Honduran territory were aboard the Honduran Air Force Douglas C-47 No 313 which crashed yesterday in Puerto Lempira. Besides 14 Honduran militarymen, the recently promoted Maj Leonel Luque Jimenez was also aboard the airplane. His proven complicity with former Somozist guardsmen and other criminals who enter our territory from Honduras and kill Nicaraguan patriots has already been denounced in our letter dated 24 December.

Mr Foreign Secretary, it is evident that the obvious inability of your distinguished government to control members of your armed forces who irresponsibly cooperate with these criminals increasingly involves your government in condemnable actions that we cannot continue to tolerate.

Mr Foreign Secretary, the Nicaraguan Government of National Reconstruction demands that your distinguished government explain the links that members of your armed forces have with Mr Steadman Fagoth and the other Somozists who were traveling aboard the Honduran Air Force plane which crashed and who have publicly announced they are preparing an invasion of Nicaragua.

Moreover, Mr Foreign Secretary, I notify you that my government will very soon begin the necessary steps to obtain the extradition of Mr Fagoth.

Waiting for your prompt reply, I reiterate my highest respects to Your Excellency.

[Signed] Miguel d'Escoto Brockman, foreign minister of free Nicaragua.

MDN'S ROBELO REACTS TO REBEL ATTACKS IN NORTH

PA291816 Managua Radio Sandino in Spanish 1200 GMT 29 Dec 81

[Station interview with Alfonso Robelo, president of the Nicaraguan Democratic Movement, MDN -- recorded]

[Text] [Robelo] I believe that there is no room for violence in Nicaragua. We have endlessly said that violence in Nicaragua should be a thing of the past. We condemn all violence. In so doing, we believe that the current violence in the north, caused by counterrevolutionary bands, causes unrest in the country and we strongly condemn it. We condemn violence generated or instigated by any source.

[Question] What do you think we, the revolutionary Nicaraguans, should do in reaction to these events? I refer in a way to the international aspect, because this is taking place in a rather (?sensitive) border area.

[Answer] True Nicaraguans, the truly revolutionary Nicaraguans, must always side with Nicaragua and the original program of the Nicaragua revolution. There should be no other position. Whoever sides with forces defending foreign interests, on either side; whoever tries to foster his own personal interests, is not on the side where true Nicaraguans should be. We have also said repeatedly that we will always be on the side of Nicaragua, on the side of our fatherland's interests.

[Question] We have learned that some parties belonging to the Nicaraguan democratic coordinating board, which you head, plan to call for raporochement with the new Honduran president?

[Answer] I think that we, the Nicaraguan democrats, should maintain ties with Honduran President-elect Suazo Cordova, because he should feel he is supported in his democratic efforts. He has been democratically elected. He should feel that he has support in the efforts to achieve closer ties among fraternal peoples like the Hondurans and Nicaraguans, without any manipulation of government efforts by alien forces that are bent on blocking the good relations that should exist between Honduras and Nicaragua.

GUATEMALAN REGIME ACCUSED OF MURDERING NEWSMEN

PA292021 Managua Radio Sandino in Spanish 1800 GMT 29 Dec 81

[Excerpt] Over 30 newsmen have been murdered by Romeo Lucas' regime in Guatemala. Forty-five others are in exile, with a view to working for the Guatemalan revolution, but with a rifle.

(Marco Tulio Barrios), leader of the Guatemalan Union of Workers in the Social Communication Media, SIMCOS, charged here today that the dictatorship has killed 34 SIMCOS members in Guatemala.

The SIMCOS -- S, I, M, C, O, S [announcer spells acronym] -- was created in 1975. It became a target of repression in Guatemala because it defended the people's interests. The retribution it received was that its most outstanding members and leaders were forced to leave the country.

Some 45 newsmen are currently outside Guatemala. They became victims of the oppression by the present government after the Guatemalan Journalists Association, erstwhile defender of the dispossessed classes, was seized by the government. The cost of SIMCOS' existence is very high. However, this is not the time to cry over our dead; it is the time to forsake the pen and take up the liberating rifle, Barrios told Radio Sandino.

INCIDENT INVOLVING GUATEMALAN SHIP REPORTED

PA291802 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 29 Dec 81

[Text] One recent evening, a Sandinist patrol boat forced a Guatemalan ship that had been sailing off our country's Atlantic coast to head for Puerto Cabezas. The Nicaraguan patrol boat had to make several warning shots at the Guatemalan ships. In Puerto Cabezas, the Sandinist police inspected the ship. Once the crew's situation had been clarified the police allowed the ship to sail on.

This incident occurred on 25 December and shows that our soldiers are not unprepared.

TINOCO BLAMES U.S. FOR RECENT BORDER INCIDENTS

PA300405 Managua Radio Corporacion in Spanish 2300 GMT 29 Dec 81

[Text] Deputy Foreign Minister Victor Tinoco says that the deaths of the border soldiers is the result of the feelings of hostility towards Nicaragua.

In a statement to reporters, Deputy Foreign Minister Tinoco termed a "bloody harvest" this hostility sown against Nicaragua abroad and in the country, mainly by the aggressive policy of some sectors of the U.S. Government.

The deputy foreign minister says that the deaths which occurred in the last few days in the Honduran border zone sadden the Nicaraguan people, especially the families of the dead. This is a matter of concern because it is a state of violence supported by reactionary sectors of Reagan's government, Deputy Minister Tinoco said.

He added that the aggressive sectors who are beyond our fatherland's borders are supported by interested groups and are tolerated by some members of the Honduran Army who have supported the penetration of counterrevolutionaries into national territory to bring death and destruction.

The deputy minister as well as other government officials, blame the Government of President Ronald Reagan for the latest incidents in the country that have left a high death toll.

EDUCATIONAL AGREEMENT SIGNED WITH GDR OFFICIAL

PA300220 Managua EL NUEVO DIARIO in Spanish 24 Dec 81 p 6

[Text] Dr Hans Peter Kruse, director general of the GDR State Planning Commission [name and title as published], and Jose Pasos M., executive secretary of the National Higher Education Council, have signed an educational agreement that establishes that Nicaragua will provide a building for the operation of a higher level technical education center and the GDR will donate all the technical equipment for the center.

This contribution of the GDR Government and people is worth approximately \$5 million.

The agreement also provides for technical training for 15 Nicaraguans during 6 months in the GDR in 1982. After these studies, they will return to Nicaragua to work as instructors in the center which will begin to operate in 1983.

Dr Hans Peter Kruse and top officials of the National Higher Education Council visited the Jinotepe teacher's school to see if that building can be used for the technical education center.

BRIEFS

CUBAN YOUTH DELEGATION DEPARTS -- The Cuban Communist Youth delegation returned to Cuba today after participating in the second national assembly of the Sandinist Youth. [Managua Sistema Sandinista Television Network in Spanish 0200 GMT 24 Dec 81 PA]

NEW TELCOR PLANT -- The National Telecommunications and Postal Directorate, TELCOR, inaugurated its new building and plant in Matagalpa. [Managua Radio Sandino in Spanish 0300 GMT 23 Dec 81 PA]

NATIONAL ASSEMBLY SESSION HEARS ECONOMIC REPORTS

Humberto Perez Address

FL291940 Havana Domestic Service in Spanish 1800 GMT 29 Dec 81

[Telephone report from the Palace of Conventions by Bienvenido Rojas on morning session of the National Assembly]

[Text] From the Palace of Conventions with a report for Informacion Politica. Humberto Perez, alternate Politburo member and president of the Central Planning Board, asserted that 1981 has been the best year for economic results that the revolution has yet experienced. He said this during the third session of the National Assembly that is being held in the Palace of Conventions in Havana City.

Our commander in chief, Fidel Castro, first secretary of the Central Committee and president of the Councils of State and Ministers, presided over this session of the assembly, which was chaired by its president, Flavio Bravo Pardo. Humberto Perez addressed the assembly after the deputies had approved various draft laws that had been submitted by the president of the Council of State.

The president of the Central Planning Board made an analysis of the economic management during 1981 and he submitted the overall economic and social development plan that the state has proposed for 1982, which was unanimously approved after it had been debated and some amendments had been introduced. Humberto Perez indicated that the growth rate achieved in 1981 surpassed the original estimate by 4 percent and a later estimate by 8 percent, thus achieving a figure of 12 percent. This is very significant if the current economic crisis that the world is experiencing is taken into account.

He said that the fundamental aspects of 1981 achievements reside in the extraordinary qualitative jump that has occurred in the organization and efficiency of our economic activities; in the results of an increase in labor quality; in the revolutionary aspects of administration; and in the formidable attitude of the workers in seeking higher productivity.

In the first place, he said, this jump was demonstrated by the results of our last sugar cane harvest, which was the largest and most efficient, as has been shown by the most important indexes, that our country has ever experienced. He indicated that during the last harvest the sugar mills processed up to 89 percent of their normal capacity. Recovery was one of the highest in the past 15 years; productivity per cane cutter was 24 percent higher than in 1980; thus there was a 13 percent excess in production.

Perez also stressed that within the sugar industry sector, the highest ever spring sowing was achieved, with a figure of more than 31,000 caballerias of sugar cane being sown. Labor productivity achieved an extraordinary growth; 10 percent, which meant that an equivalent of 200,000 cane cutters less were used.

He stressed: This overall increase in efficiency has also meant that the production cost per peso was reduced by approximately 5 percent during 1981. Therefore, this has been a year in which an important step has been made regarding efficiency in our productive sector and this, as we have said, basically resides in the overfulfillment of the economic plan and in the high growth rate that has been achieved, although a lot still has to be done in this field of economic efficiency, in the preservation of our resources, in the increase of work productivity and in the decrease of our production costs.

Perez then referred to next year's plan and he said that taking into account that even though conditions will be different than in 1981, the GDP growth will not surpass 12.5 percent.

And he added that this does not mean that we will not continue to develop, because development must not only be seen as a quantitative growth, it must also be seen as a modification of the internal structures of that economy and as a growth of economic efficiency by advancing in the preservation of resources and in a more rational use of those resources. He also said exports and construction of houses will continue to increase in 1982.

At the close of this report, the state's overall economic and social development plan had, with some amendments, been unanimously approved.

From the Palace of Conventions Bienvenido Rojas has reported.

More on Reports

FL300010 Havana Domestic Service in Spanish 2102 GMT 29 Dec 81

[Excerpt] During his address to the People's Government National Assembly, Humberto Perez said that this had been a year of significant improvement in the people's standard of living. He said that as a result of the wage reform, the minimum wage had gone up by 10 pesos in the areas of management and services and by more than 11 pesos for workers and laborers.

He also said that the domestic market had grown by 10 percent and that the housing construction plan, designed for approximately 20,000 units, was exceeded by some 4,000 apartments. The capacity of child care centers, hospitals and dental clinics also grew while infant mortality went down to 19.4 for each 1,000 live births.

Perez said that next year's national economic plan foresees a growth in the GDP of no more than 2.5 [as heard] percent over this year's. He stressed that this does not mean that we have stopped making progress, because development cannot be viewed solely in terms of quantitative growth but also as a change in the economy's internal structures and as increased economic efficiency. He said that advances must be made in saving and using resources more rationally, and that next year's plan provides for substantial advances in these qualitative aspects.

Humberto Perez said that exports will increase and diversify for a growth, in constant prices, of 10 percent. The levels of consumer goods will be maintained for major products, Perez said. He also said that distribution will be maintained in the parallel markets of some food products such as canned meat and fish, milk, fruit and vegetables. As to manufactured goods, quantities of some of them will increase, such as footwear -- an additional 2 million pair -- radios, television sets -- including 5,000 color sets -- washers, refrigerators and air conditioners.

Health services will continue to grow with expansions to hospitals, specially pediatric hospitals, where intensive therapy wards and, in some cases, specialized outpatient clinics, will be added.

Organizational and labor measures will be adopted to achieve savings in electricity, transportation and fuel, among others. Perez said that so-called short and long weeks would have to be set up so that one Saturday would be a day of rest and the next an 8-hour work day; in other words, each month would have two Monday to Friday work weeks and two Monday to Saturday work weeks.

He stressed that next year's plan will be modest and cautious in its economic objectives. He said that this will not mean that it will not be a new stage of development. Humberto Perez concluded by expressing his conviction that once again our people will demonstrate what they are capable of doing and that they will do their duty in facing the difficulties, risks and dangers ahead.

Reporting on next year's budget, Francisco Garcia Valls, minister president of the State Committee for Finance, explained that cuts in the budget will be made in various expenditures and not in the levels of activities.

Items that will experience restrictions are, among others, per diems, use of textiles, transportation and meal expenditures, and contracts. He stressed that it was important to remember that any savings in budgeted activities meant additional resources for commercial transactions.

Garcia Valls explained that all unnecessarily budgeted wages not paid would mean less money in circulation, softening the negative impact of the financial imbalance. The limits established in each budgeted unit must be observed, Garcia Valle stressed. He said that income must be generated for the budget through the search for suitable means to make the application of the principle of economic calculus possible. Garcia Valls said that how state enterprises perform would be a decisive factor in the achievement of economic balance because they were the basic source of budget income.

Lastly, Garcia Valls said that the state organs and agencies would have to ensure that their subordinate enterprises obtained the expected income and made their contributions to the budget on time.

Castro Speech Reported

FL300035 Havana Domestic Service in Spanish 0000 GMT 30 Dec 81

[Telephone report from Palace of Conventions by (Diosdado Maso) and (Roberto Narchard)]

[Text] Only minutes ago, following an extraordinary, in-depth and relevant speech by Fidel lasting almost 3 hours, the People's Government National Assembly decided to designate 1982 as the "24th year of the revolution." The president of Cuba's top government organ, Flavio Bravo, said that after concluding today's agenda, it only remained to recall that in only 3 days 1981 would be over and the 24th year of the revolution would begin. Hence we intend to give 1982 this name. Resounding applause from the 486 deputies attending the session showed the decisive support for the proposal of our country's political and mass organizations. In the final minutes of this historic day, Comrade Flavio Bravo wished all success in the tasks ahead.

HAVANA NOTES 'WARMONGERING' U.S. MILITARY BUDGET

FL291510 Havana Domestic Television Service in Spanish 1314 GMT 29 Dec 81

[Text] U.S. President Ronald Reagan will sign into law today a military budget of \$200 billion. The budget considered to be the largest in the history of the United States and approved by Congress, represents a victory for the warmongering forces.

Besides the military budget, the U.S. President will sign another 35 legislative drafts among which are some of an open warmongering nature. Among these there is an authorization to create a contingent of 1,200 soldiers to form part of the multinational military force in the Sinai. Reagan will also sign laws today that will lift the ban on arms sales and the provisions of military assistance to the regimes of Argentina, Chile and Pakistan.

RAUL MEETS WITH FAR CINEMA STUDIO WORKERS

FL291220 Havana Domestic Service in Spanish 1100 GMT 29 Dec 81

[Excerpt] Army Gen Raul Castro, the party's second secretary and Revolutionary Armed Forces [FAR] minister, has had a fraternal meeting with a group of civilian officials and workers of the FAR cinema studios. During the meeting, which has held at the FAR Ministry, the director of the FAR cinema studios, Lt Col Francisco Soto presented Raul with a diploma that expresses the gratitude of the whole collective for his active and systematic work in the development and creativeness of military cinematography.

BOLIVIAFOREIGN MINISTER CALLS FOR 'RAPPROCHEMENT' POLICY

PY292036 Paris AFP in Spanish 2211 GMT 28 Dec 81

[Text] La Paz, 28 Dec (AFP) -- Foreign Minister Gonzalo Romero stated here today that the Bolivian foreign policy will seek a rapprochement with countries related by affinity, both on a regional and subregional scale, to propose initiatives of political and economic natures. Romero also stated that all sectors of the population will be consulted regarding the steps to be followed on the Bolivian landlocked problem. And later this consultation will also be extended to include all former foreign ministers, to geopolitical and civic circles and to various personalities in the country to ask them for their opinions on the issue.

The Bolivian landlocked problem is denounced by the Foreign Ministry as a factor of national backwardness, and finding a solution to it was supported by the OAS foreign ministers at their latest meeting in St Lucia.

The foreign minister made these remarks on installing Hernando Velasco as new Foreign Ministry under secretary. Velasco will replace Moises Fuentes who was designated Bolivian Ambassador to Colombia.

BRAZILGOVERNMENT EXPELS 15 FOREIGNERS UNDER NEW LAW

PY301300 Buenos Aires TELAM in Spanish 1820 GMT 29 Dec 81

[Text] Brasilia, 29 Dec (TELAM) -- During the past 2 days the Brazilian Government ordered the expulsion from the country of 15 foreigners who were charged with engaging in activities contrary to the national interests.

Justice Ministry sources reported today that two Argentines, five Chileans, three Bolivians, an Uruguayan, an Italian, a Portuguese, a Paraguayan and a Mexican had been expelled under the new foreigners' law.

The sources stated that article 67 of the present law provides for the expulsion of any foreigner who directly or indirectly violates the national security law, disrupts the sociopolitical order, the public tranquillity and moral standards and the people's economy; or anyone whose action may go against the national interests.

ARCHBISHOP SAYS TWO BLOCS' POLICIES SHOULD CHANGE

PY281811 Sao Paulo Radio Bandeirantes Network in Portuguese 1000 GMT 28 Dec 81

[Excerpt] Sao Paulo Archbishop Cardinal Paulo Evaristo Arns has held a mass commemorating the laying of the cornerstone of the Sao Paulo church at (Gila Prudente).

Regarding international politics Cardinal Arns said that the U.S. and Soviet Governments must change their points of view, noting that it is not possible for two blocs to set the course of world's history. This is proof of their impotence and inability to [word indistinct] the events. He warned that if those blocs do not change their policy regarding the North-South dialogue, the countries from the third and fourth world will seek other alternatives to their advantage.

BRASPETRO TO EXPAND OVERSEAS OIL PROSPECTING

PY301330 Rio de Janeiro O GLOBO in Portuguese 23 Dec 81 p 21

[Excerpt] BRASPETRO, a subsidiary of PETROBRAS for international operations, yesterday announced that next year it will be operating under risk contracts in two more countries: the Congo (Brazzaville) and South Yemen. In the Congo, BRASPETRO will prospect for oil in the maritime basin; in South Yemen, in an area of 42,000 square kilometers of land.

The addition of the above two contracts has brought to nine the total of countries where BRASPETRO prospects for oil and renders technical services. The other countries are: Angola, Algeria, the PRC, Guatemala, Libya, Iraq and Trinidad-Tobago. In 1981 BRASPETRO invested \$81 million in its overseas operations and collected \$37 million.

ECUADORPRESIDENT HURTADO RECEIVES ROMANIAN OFFICIAL

AU242035 Bucharest AGERPRES in English 1925 GMT 24 Dec 81

[Text] Quito, 24 Dec (AGERPRES) -- Messages were exchanged in Quito between Nicolae Ceausescu, president of Romania, and Osvaldo Hurtado Larrea, president of the Republic of Ecuador. A message of friendship was handed over to the president of Ecuador from the Romanian head of state.

President Osvaldo Hurtado Larrea requested that President Nicolae Ceausescu be conveyed best wishes of successes in the fulfillment of the objectives of development of Romania, wishes of good health and personal happiness. The exchange of messages was occasioned by the call paid on the Ecuadorian head of state by Gheorghe Nestorescu, deputy minister of machine-building of Romania, who visits Ecuador.

During the interview, they discussed possibilities of development of the economic and commercial relations and of the cooperation between the two countries, especially in oil.

DOMINICAN REPUBLICALL RESOURCES EXHAUSTED ON SUGAR SALES TO U.S.

FL291258 Santo Domingo Radio Mil Network in Spanish 1000 GMT 29 Dec 81

[Text] It has been asserted that the Senate has exhausted all viable resources regarding the U.S. Congress. The president of the Senate has stated that his chamber has exhausted all viable resources with the U.S. Senate in trying to prevent that country from applying the tariff-tax on sugar imports. The Senate can do nothing more, Engineer Elvio Rodriguez stressed, and he recalled that the legislator for Monte Cristi, as a member of a Senate delegation, had visited the United States where he met with influential legislators and officials of that nation.

After accepting the 5 cent tax on sugar imports as a fait accompli, the president of the Senate acknowledged the U.S. Government's right and obligation in defending that nation's producers. On acknowledging this fact, Rodriguez moreover said that the Dominican Republic has on many occasions given that country sugar at preferential prices.

Traditionally, we have been its best supplier in this sector, and there have been times when the Dominican Republic has sold it sugar at a price much lower than that of the world market, the president of the Senate stressed.